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6 of Equity Security Holders

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8 UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
9 SAN FRANCISCO DIVISION

10 In re

11 CMR MORTGAGE FUND, LLC,  
CMR MORTGAGE FUND II, LLC,  
CMR MORTGAGE FUND III, LLC,

12 Debtors.

Case Nos. 08-32220 TEC  
09-30788 TEC  
09-30802 TEC

Chapter 11

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14 ☐

Affects **FUND I**

15 ☐

Affects **FUND II**

16 ☐

Affects **FUND III**

17 ☒

Affects **ALL FUNDS**

Date: August 4, 2010  
Time: 9:30 a.m.  
Place: Courtroom 23  
235 Pine Street  
San Francisco, CA 94104

Judge: Hon. Thomas E. Carlson

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20 **NOTICE OF HEARING ON CONFIRMATION OF EQUITY COMMITTEE AND**  
**DEBTORS JOINT PLAN OF REORGANIZATION Dated June 24, 2010, AND**  
21 **DEADLINES FOR VOTING AND OBJECTION**

22 TO: All Creditors and Equity Interest Holders of the above three Debtors, Parties Requesting  
23 Notice Pursuant to Bankruptcy Rule 2002, the Office of the United States Trustee, and the  
24 Securities and Exchange Commission

25 **PLEASE TAKE NOTICE** that on August 4, 2010, at 9:30 a.m., a hearing will be held  
before the Honorable Thomas E. Carlson, U.S. Bankruptcy Judge, in Courtroom 23 at 235 Pine  
26 Street, San Francisco, California, to consider confirmation of the Equity Committee And Debtors  
Joint Plan Of Reorganization Dated June 24, 2010 (the "Plan") proposed by the Official  
27 Committee of Equity Security Holders ("Equity Committee"), and Debtors CMR Mortgage Fund,  
LLC, CMR Mortgage Fund II, LLC, and CMR Mortgage Fund III, LLC (the "Funds").

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**Distribution of Solicitation Materials**

The Disclosure Statement For Equity Committee And Debtors Joint Plan Of Reorganization Dated June 24, 2010 (“Disclosure Statement”), submitted under Chapter 11 of the Bankruptcy Code referring to the Plan has been determined by the Bankruptcy Court, after hearing on notice, to contain adequate information for the purpose of soliciting acceptances of the Plan. The Bankruptcy Court has authorized transmittal of the Disclosure Statement, the Plan, the Order Approving Disclosure Statement, and ballots to accept or reject the Plan to all creditors, equity interest holders, and other parties in interest. Copies of these materials are enclosed with this Notice. Copies of these materials are also found online at: [www.ml-sf.com/cases/cmr/docs.asp](http://www.ml-sf.com/cases/cmr/docs.asp)

**Effect of Plan Confirmation on Creditors and Equity Interest Holders**

The rights of creditors and equity interest holders are affected if the Plan is confirmed. You should carefully review the Plan and Disclosure Statement (including all exhibits to each of those documents) to determine how the Plan may affect you.

**Voting Procedures and Deadlines**

Creditors and equity interest holders desiring to vote for or against the Plan must return the ballot(s) to accept or reject the Plan that accompany this Notice to:

McNutt Law Group LLP  
Attn: CMR Ballot Administrator  
188 The Embarcadero  
Suite 800  
San Francisco, CA 94105

Ballots must be actually received (and not merely postmarked) **not later than 5:00 p.m. Pacific Daylight Time on July 28, 2010.** Any ballot received after that deadline will not be counted. Creditors and equity interest holders should take care to follow the instructions found on the ballots. Ballots submitted by facsimile or email will not be counted.

**Objections to Confirmation of the Plan**

Any objection to confirmation of the Plan must be in writing, and must be filed with the Bankruptcy Court at 235 Pine Street, 19<sup>th</sup> Floor, San Francisco, CA 94104 if filed in person, or at P.O. Box 7341, San Francisco, CA 94120-7341 if filed by mail. If filed by mail, sufficient time must be allowed for the objection to reach the Court in timely fashion. The deadline for filing an objection is July 28, 2010, at 6:00 p.m. Pacific Daylight Time.

In addition to filing any objection with the Court, you must serve copies of your objection by mail on each of the following:

1                   **Counsel for the Committee**

2                   McNutt Law Group LLP  
3                   Attn: Dale Bratton  
4                   188 The Embarcadero, Suite 800  
5                   San Francisco, CA 94105

6                   **Counsel for CMR Fund**

7                   Wendel, Rosen, Black & Dean, LLP  
8                   Attn: Elizabeth Berke-Dreyfuss  
9                   1111 Broadway, 24<sup>th</sup> Floor  
10                  Oakland, CA 94607-4036

11                  **Counsel for CMR Fund II**

12                 Binder & Malter, LLP  
13                 Attn: Robert G. Harris  
14                 2775 Park Avenue  
15                 Santa Clara, CA 950

16                  **Counsel for CMR Fund III**

17                 Macdonald & Associates  
18                 Attn: Reno F. R. Fernandez  
19                 221 Sansome Street, Third Floor  
20                 San Francisco, CA 94104

21                 and

22                  **Office of the U.S. Trustee**

23                 235 Pine Street, Suite 700  
24                 San Francisco, CA 94104

25                 Failure to timely file and serve an objection to confirmation may be deemed a waiver of  
26                 objection to the Plan. Submitting a ballot voting to reject the Plan does not meet the requirements  
27                 for an objection to confirmation.

28                                 **Status Conference on Objections to Confirmation**

                  The Bankruptcy Court will hold a status conference on any objections that may be filed to  
confirmation of the Plan on July 30, 2010, at 10:30 a.m. Any party filing an objection to the Plan  
should be present at the status conference (in person or by telephone).

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